BC Housing

2000 - 2001

Corporate Plan Summary

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A Message from the Minister

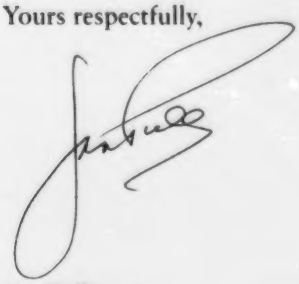
I am pleased to present to you BC Housing's 2000/01 Corporate Plan.

BC Housing plays an important role in responding to the on-going need for affordable housing and helps build strong and vibrant communities in partnership with the housing sector.

This plan provides an overview of BC Housing's priorities for 2000/01 and presents a sound strategy for responding to the changing, complex and often diverse housing needs of British Columbians.

In working together with our housing partners, I feel confident that we will be able to ensure that safe, decent and affordable housing is available for those who need it.

Yours respectfully,



Jan Pullinger
Minister
Social Development and Economic Security

From the Chair

A Message from the Chair of BC Housing

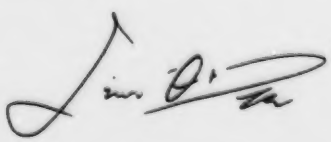
As the government agency responsible for the delivery of the provincial housing programs, BC Housing has an important role to play in responding to the need for affordable housing across the Province. This Plan, developed by the Board of Commissioners and senior management, identifies strategies for 2000/01 designed to help us meet the on-going need for affordable housing and to effectively fulfill our mandate. It builds on the 1999/00 corporate planning process - the first step in creating a shared understanding of the Board's vision and strategic directions.

The 2000/01 Corporate Plan was adopted by the Board of Commissioners at a special meeting on March 29th, 2000. Every outcome and objective in this plan seeks to reinforce BC Housing's commitment to working with the housing sector and our housing partners to create homes, choices and healthy communities.

As a public agency, we are required to demonstrate our success in fulfilling our mandate. This includes setting performance targets and creating a framework for evaluating the financial performance and the social benefits of the work that we do. In 1999/00, through the dedication of BC Housing's employees and the housing sector, we have been able to set a solid course of action for realizing our vision. This plan builds on the work done to date and enhances our capacity and the capacity of the housing sector to continue to move forward in the spirit of respect, creativity, innovation and team work.

I have been pleased with the success of the 1999/00 plan and the commitment of BC Housing employees and the housing sector. The corporate planning process is an evolving process-one which will challenge each of us and which in turn helps us to challenge each other. I am looking forward to working with you over the coming weeks and months to meet the challenges ahead and to turn our vision into a reality.

Sincerely,



Jim O'Dea
Chair of BC Housing

Strategic Overview

In 1999/00 BC Housing put into place a Corporate Plan which articulated the Board's vision and identified strategies for realizing its vision. The Corporate Plan for 2000/01 builds on the work to date and identifies the Board's priorities for the coming year.

The priorities outlined in this plan include a continued emphasis on responding to existing and emerging housing issues across the province. This includes not only working to increase the supply of affordable rental housing but also working in partnership with other levels of government, other ministries, the private sector, non-profit societies, housing co-ops, tenants and community based agencies to explore more strategic and diverse approaches for responding to housing needs.

The Board has also reaffirmed its commitment to working together with local communities to promote the creation of healthy, active and inclusive communities and to seek to create an increased level of public awareness and political support for affordable housing. Within the Commission, the Board's emphasis for 2000/01 is to build on our current strengths and to seek to create the capacity to respond dynamically and quickly to emerging housing issues.

Mandate

As the government agency responsible for the delivery of the provincial housing programs, BC Housing's mandate is to facilitate the provision of secure, well managed affordable housing.

Core Values

Home, dignity, and community

Vision

Working together to create homes, choices and healthy communities

Guiding Principles

The following guiding principles were adopted by the Board in September 1998 and reaffirmed by the Board at their planning session for 2000/01:

- Building alliances and partnerships
- Respecting community leadership and expertise
- Protecting the public investment in social housing
- Community participation
- Respect and responsiveness
- Creativity, innovation and teamwork
- Diversity of people and ideas
- Maintaining the highest standards of integrity, quality and competence.

Strategic Direction

Key Outcomes for 2000/01

The Board of Commissioners adopted the following five key outcomes at its planning session. These outcomes form the basis for the 2000/01 Corporate Plan:

- **Increased affordable housing**
- **Well managed, sustainable existing housing**
- **Healthy, active and inclusive communities**
- **Increased public awareness and political support**
- **A responsive, adaptive and accountable organization**

Key Strategies

The Board of Commissioners also reaffirmed its commitment to the following key strategies:

- Multi-level partnerships
- Community consultation and participation
- Efficient use of public resources
- Innovative approaches to developing more units
- Manage business activities and relationships to meet key strategic objectives
- Effective communication, public relations, advocacy and community education
- Building community capacity
- Research to support decision making, communications and community development
- A work culture of trust, continuous improvement and anticipation of need

The 2000/01 Business Plan Key Outcomes and Business Plan Objectives

In moving forward on the priorities identified for 2000/01, the following key business plan objectives were identified. These objectives are tied to the key outcomes and are supported by individual branch plans and work plans across the Commission.

1.0 Increased affordable housing

The preservation and expansion of the affordable rental housing stock continues to be an important priority. The number of households paying 50% or more of their income on rent and the increasing number of renters in core housing need as well as the growing number of homeless people has resulted in an increasing sense of urgency in meeting this objective. BC Housing has made it a priority to look for new and innovative ways of responding to the diversity of needs in the community. This would include not only looking at ways of increasing the supply of affordable rental housing but ensuring that, when and where possible, there are a broadened range of options available. To realize this goal, the Commission has identified the following key strategic objectives for 2000/01:

1.1 *Committing and delivering all housing allocations. The growing unmet need has resulted in a sense of urgency in meeting this objective.*

1.2 *Ensuring that a range of options is available to respond to existing and emerging housing-related needs and to support individuals in retaining their housing.*

1.3 *Developing a research capability to better understand local housing needs and to support the development of a range of housing options.*

Key Outcomes and Objectives

2.0 Well managed, sustainable existing housing

The existing inventory of social housing represents an important investment in communities across the province and an important asset for responding to the on-going need for affordable housing. As the agency responsible for the delivery of the province's social housing programs, BC Housing has an important role to play in working in partnership with the housing sector and housing partners in the delivery of well managed, sustainable existing housing. This would include the efficient administration of existing agreements with non-profit societies and housing co-ops across the province as well as the direct delivery of affordable housing through BC Housing's directly managed portfolio. It would also include working to ensure that appropriate funding is in place for the on-going maintenance and improvement of the existing housing stock. In terms of the delivery of well managed, sustainable existing housing, the following priorities have been identified for 2000/01:

2.1 *Providing financial, administrative and technical support under existing operating agreements for the efficient management of housing provided under a mix of programs.*

2.2 *Providing access to secure, well-managed and affordable housing through BC Housing's directly managed portfolio and through the management of group homes developed on behalf of other ministries.*

2.3 *Developing and implementing a comprehensive 3 year modernization and improvement plan to sustain existing social housing.*

2.4 *Developing and implementing comprehensive annual plans for the on-going maintenance of PRHC group homes and BC Housing's directly managed portfolio.*

2.5 *Providing funding for the on-going maintenance of the province's social housing stock.*

2.6 *Creating a long term strategy to address the aging social housing portfolio.*

3.0 Healthy, active and inclusive communities

Housing is about more than "bricks and mortar" – it is about people, homes and the creation of healthy communities. As a landlord of almost 8,000 units of social housing across the province, BC Housing has an integral role to play in helping to foster healthy, active and inclusive communities. This would include working to support the activities of the Public Housing Advisory Council as well as encouraging and supporting tenant activities at the local level. Working in partnership with the broader community to identify resources and community supports is also integral to fostering healthy, active and inclusive communities and to improving the quality of life for tenants. Among the Board's priorities for 2000/01 are:

3.1 *The delivery of programs designed to foster healthy, active, and inclusive communities through community partnerships.*

3.2 *Identifying resources to encourage and promote community participation.*

3.3 *Continuing to recognize the important role played by the Public Housing Advisory Council (PHAC) and continuing to provide resources to support the Council in its work.*

3.4 *Implementing training programs for staff which emphasize the philosophy of social housing and the process of community facilitation.*

3.5 *Encouraging partnerships with community resources outside of the housing site to promote the economic, mental and physical well-being of tenants.*

4.0 Increased public awareness and political support

Public and political support is essential in breaking down barriers and negative attitudes about those who live in social housing. It is also essential in helping to create a better understanding of local housing needs. Over the past year, BC Housing has made it a priority to seek to build strong and enduring partnerships with resident groups, local community groups, non-profit societies and housing co-ops, municipal governments, local health boards and housing advocates in order to draw on the experience and expertise which exists at the local level. Over the coming year, it is our goal to continue to build and strengthen these partnerships through:

4.1 *Increasing public awareness and political support for affordable housing.*

4.2 *Keeping the Board, employees, ministerial staff, the housing sector, and housing partners informed on an on-going basis of BC Housing's programs, policies and activities.*

4.3 *Continuing to work with local governments to identify ways to respond to local housing needs through the development of affordable housing.*

4.4 *Creating opportunities for dialogue and input from housing partners.*

5.0 A responsive, adaptive, and accountable organization

The Board and staff at BC Housing are committed to providing high quality service and to working in partnership with other levels of government, other ministries, the private sector, non-profit societies, housing co-ops, tenants and community-based agencies to respond effectively to housing needs. The provision of a high quality of service comes from both a personal commitment to the work of the organization and from a desire to improve continually. In order to define and nurture a culture of high quality service, BC Housing will to continue to identify ways to meet the housing needs of low income families and individuals across the province. One of the key challenges will be the implementation of the recommendations arising from a number of major external reviews which were carried out over the past year. Through the work of cross-functional teams which have been established, and in consultation with the housing sector, we will be looking closely at our business activities, operating style, methods and processes in order to identify ways to strengthen and improve the way in which we deliver our programs and services. To do this, BC Housing is committed to:

5.1 *Managing our resources, partnerships and technology effectively in order to add value and ensure that the greatest benefit is realized for the public, tenants and ourselves.*

5.2 *Fostering a workforce that is responsive to, and reflective of the diversity of the communities in which we live and work.*

5.3 *Fostering a work culture of trust, commitment to teamwork and excellence and openness to change.*

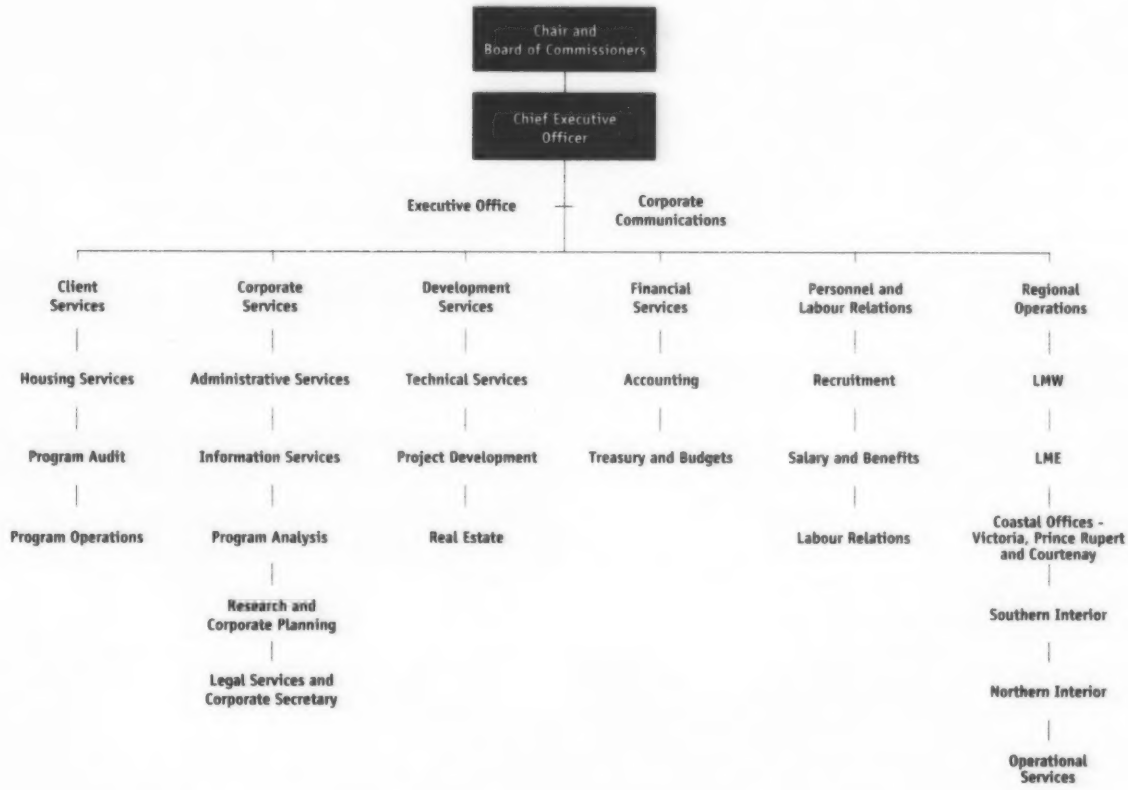
5.4 *Fostering a culture of innovation in activities in support of our mandate.*

5.5 *Continuing our commitment to enhancing our role as a social housing landlord.*

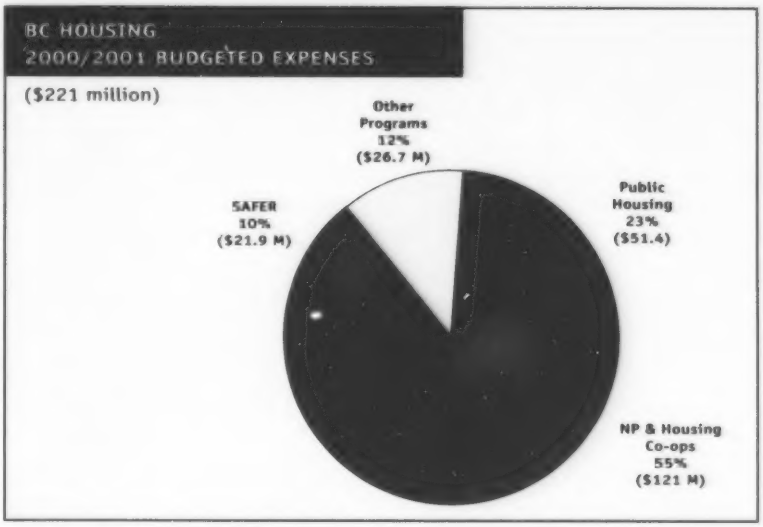
5.6 *Ensuring that the affairs of the Commission are carried out according to legislated requirements, broader social policy objectives and expected standards of conduct.*

Organizational Structure

The alignment of resources and an organizational structure which supports the activities in this business plan is critical to ensuring that we can effectively deliver on the priorities which have been identified. The chart below provides an overview of BC Housing's organizational structure and identifies the primary areas of responsibility/accountability.



Our Core Business



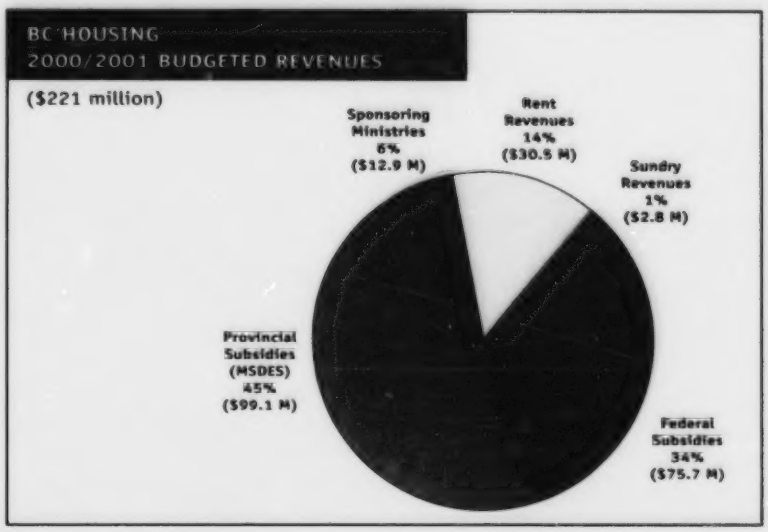
For the 2000/01 fiscal year, BC Housing has an approved budget of $221 million for the delivery of secure, well managed, affordable housing for people who cannot otherwise access suitable housing. BC Housing will continue its commitment to provide affordable housing through a mix of programs including: public housing (7,800 units), non-profit societies and housing co-ops (26,900 units), senior's shelter allowances, (12,500 units) and a mix of other programs such as private and public rent supplement assistance (2,500 units), the Supported Independent Living Program delivered in partnership with the Ministry of Health (1,300 units), the BC Rental Supply Program (400 units), and other provincially-funded units targeted to respond to specific needs (970 units). Also included in the total budget is the $13 million cost of providing building management support services for other provincial ministries. The costs of these services are recoverable from the sponsoring ministries.

The budget for BC Housing's core business has increased by 7.6% ($14.6 million) over the previous year. The increase is primarily attributable to the anticipated completion of 1,100 new units under the *HOMES BC* program. This represents approximately one-third of all units currently at varying stages in the development process. The higher cost of mortgage renewals on existing projects, planned water penetration repairs and higher land lease costs for Section 82(1)(b) seniors projects have also had an impact on BC Housing's operating budget. In 1998, BC Housing initiated a comprehensive review of all housing projects in the Lower Mainland built between 1983 and 1997 to identify building envelope failures and suggest corrective action. The $15.3 million Modernization and Improvement budget includes $5 million for the 10 planned repair projects.

In the 2000/01 fiscal year BC Housing also anticipates borrowing approximately $200 million from the Ministry of Finance to fund short-term construction loans to non-profit societies and housing co-ops to enable the construction of an estimated 1,635 new housing units under the *HOMES BC* program. When the projects are completed, the non-profit societies will borrow from private lenders to repay the construction loans. The mortgage liability will be carried on the books of the societies.

Financial Plan

Funding Sources and Revenue


BC HOUSING
2000/2001 BUDGETED REVENUES
($221 million)
Sponsoring Ministries 6% ($12.9 M)
Rent Revenues 14% ($30.5 M)
Sundry Revenues 1% ($2.8 M)
Provincial Subsidies (MSDES) 45% ($99.1 M)
Federal Subsidies 34% ($75.7 M)

BC Housing's primary funding sources are contributions from the Province of British Columbia of $99.1 million (48% - excluding recoveries from sponsoring ministries), contributions from the federal government of $75.7 million (34%) and tenant rent revenues of $30.5 million (14.8%). Since 1994, when the federal government ended funding support for the development of new social housing, the proportion of federal funding has been gradually reduced relative to the provincial contribution which has continued to increase as a result of the province's commitment to continue to fund the development of social housing through the HOMES BC program and through the transfer of responsibility for the administration of the SAFER program. In 1990, the relative proportion of government funding was 58% from the Canadian Mortgage and Housing Corporation (CMHC) and 42% from the province. In the 2000/01 fiscal year, the relative contributions have nearly been reversed with the province providing 57% of government contributions compared to CMHC's 43% share. The province and CMHC have renewed discussions to transfer the administration of the federal social housing stock and related programs to BC Housing, with negotiations focussing on determining an acceptable level of funding to be transferred to support the additional stock of housing.

Rent revenue from the directly managed portfolio contributes approximately 14% towards BC Housing's budget and is projected to be constant over the coming year. Approximately 4,400 tenants in this portfolio are seniors, the majority of whom receive Old Age Security. In addition, 3,400 are family households of which almost half receive BC Benefits. Given the income sources for the majority of our tenants and BC Housing's commitment to house those in the greatest need, it is anticipated that tenant rent revenue as a whole will increase only minimally from the previous year.

Providing Support to Other Ministries

BC Housing provides a variety of building management support and administration services for the Ministry of Children and Families, the Ministry of Social Development and Economic Security, the Ministry of Women's Equality, the Ministry of Health and Regional Health Authorities on a cost recoverable basis. This includes the administration of 628 group homes providing over 3,000 housing units at a cost of $7.8 million, a $1.4 million increase over the previous year mainly due to the purchase of 21 group homes from BC Buildings Corporation on behalf of the Ministry of Children and Families.

The Supported Independent Living program in partnership with the Ministry of Health is a supported housing program that enables people with severe and persistent mental illness to live independently in affordable, self-contained housing. The budget for this program is estimated to be $4.4 million. A budget of $720,000 has been negotiated with the Ministry of Health for the BC Housing Health Services program. This program is designed to provide consultation and support to social housing providers who in turn make units available to house individual who have been diagnosed with a mental illness. The goal is to provide access to a total of 1,300 units by 2004/05.

Appendix I

Summary of Strategic Outcomes and Business Plan Objectives for 2000/01

1.0 Increased affordable housing

- Committing and delivering all housing allocations. The growing unmet need has resulted in a sense of urgency in meeting this objective.
- Ensuring that a range of options is available to respond to existing and emerging housing-related needs and to support individuals in retaining their housing.
- Developing a research capability to better understand local housing needs and to support the development of a range of housing options.

2.0 Well managed, sustainable existing housing

- Providing financial, administrative and technical support under existing operating agreements for the efficient management of housing provided under a mix of programs.
- Providing access to secure, well-managed and affordable housing through BC Housing's directly managed portfolio and through the management of group homes developed on behalf of other ministries.
- Developing and implementing a comprehensive 3 year modernization and improvement plan to sustain existing social housing.
- Developing and implementing comprehensive annual plans for the on-going maintenance of PRHC group homes and BC Housing's directly managed portfolio.
- Providing funding for the on-going maintenance of the province's social housing stock.
- Creating a long term strategy to address the aging social housing portfolio.

Appendix I

3.0 Healthy, active and inclusive communities

- The delivery of programs designed to foster healthy, active, and inclusive communities through community partnerships.
- Identify resources to encourage and promote community participation.
- Continuing to recognize the important role played by the Public Housing Advisory Council (PHAC) and continuing to provide resources to support the Council in its work.
- Implement training programs for staff which emphasize the philosophy of social housing and the process of community facilitation.
- Encourage partnerships with community resources outside of the housing site to promote the economic, mental and physical well-being of tenants.

4.0 Increased public awareness and political support

- Increasing public awareness and political support for affordable housing.
- Keep the Board, employees and ministerial staff, the housing sector, and housing partners informed on an on-going basis of BC Housing's programs, policies and activities.
- Continue to work with local governments to identify ways to respond to local housing needs through the development of affordable housing.
- Create opportunities for dialogue and input from housing partners.

5.0 A responsive, adaptive, and accountable organization

- Managing our resources, partnerships and technology effectively in order to add value and ensure that the greatest benefit is realized for the public, tenants and ourselves.
- Fostering a workforce that is responsive to and reflective of the diversity of the communities in which we live and work.
- Fostering a work culture of trust, commitment to teamwork and excellence and openness to change.
- Fostering a culture of innovation in activities in support of our mandate.
- Continuing our commitment to enhancing our role as a social housing landlord.
- Ensuring that the affairs of the Commission are carried out according to legislated requirements, broader social policy objectives and expected standards of conduct.

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Information about BC Housing and affordable housing issues is also available on the Internet at

www.bchousing.org